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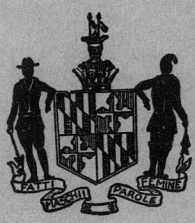
SIXTH ANNUAL REPORT

OF THE

Maryland Racing Commission

TO

THE GOVERNOR OF MARYLAND



1925

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SIXTH ANNUAL REPORT

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MARYLAND RACING COMMISSION

BOARD

JAMES A. LATANE, *Chairman*
JERVIS SPENCER, JR.
JOHN F. MUDD

STAFF

JAMES F. HAYWARD	Secretary
MRS. WM. CHESNUT	Stenographer
CARLOS M. DE GARMENDIA	Judge-at-Large
JOHN E. CHARSHEE	Auditor
WM. BRADLEY CARR	General Inspector
THOMAS A. BERNEY	Inspector
JOSEPH KELLEY	Inspector
JOHN P. NIXON	Inspector

SIXTH ANNUAL REPORT

OF THE

MARYLAND RACING COMMISSION

To His Excellency, Albert C. Ritchie,
Governor of Maryland:

The Maryland Racing Commission respectfully submits herewith its Annual Report for the year 1925:

The past season's racing has been most successful, both from the standpoint of the excellency of the racing and from the popularity of the sport at the various tracks, each track having had a most successful season.

When the Commission came into existence the four (4) one-mile tracks and Marlboro and Timonium were using the Pari-Mutuel system of betting, and it has been the policy of the Commission not to extend these betting privileges to any other association, feeling that there was quite enough betting in the State. We have only once deviated from this policy: in the case of the Cumberland Fair Association, and there only because of its geographical location, being situated so far in the western part of the State that its citizens could only attend the races at great inconvenience and loss of time.

We feel that there is nothing especially to call attention to, and we are looking forward to a continuance of the present most satisfactory condition.

There is attached hereto an account of the Receipts and Disbursements of the Commission, and an account of the Receipts and Disbursements during the year of the four (4) licensees of the Commission operating one-mile tracks.

Respectfully submitted,

JAS. A. LATANE,
JERVIS SPENCER, JR.,
JOHN F. MUDD.

STATEMENT OF MARYLAND RACING COMMISSION
(For Year 1925)

RECEIPTS

County fairs, 46 days racing, at $50 per day		$2,300.00
Harford Agricultural and Breeders' Association:		
23 Days racing, at $6,000 per day	$138,000.00	
15 Per cent. of net revenue	56,795.19	
		194,795.19
Maryland State Fair Inc.:		
23 Days racing, at $6,000 per day	$138,000.00	
15 Per cent of net revenue	31,045.86	
		169,045.86
Maryland Jockey Club of Baltimore City:		
23 days racing at $6,000 per day	$138,000.00	
Account of Baltimore County, $3,000 per day	69,000.00	
15 Per cent of net revenue	54,698.78	
		261,698.78
Southern Maryland Agricultural Association:		
23 Days racing, at $6,000 per day	$138,000.00	
15 Per cent of net revenue	38,796.48	
		176,796.48
License fees, trainers and jockeys		1,276.00
Interest on money on deposit		4,312.14
Reserved from 1924 revenue for 1925 expenses		10,000.00
Total receipts		$820,224.45

STATEMENT OF MARYLAND RACING COMMISSION
(For Year 1925)

DISBURSEMENTS

Commission's salary		$10,000.00
Office salaries		5,160.00
Salaries and expenses of Commission's employes for county fairs		1,981.91
Premiums on chairman's and Commissioners' bonds		1,500.00
Automobile and train hire		1,565.20
Travel and miscellaneous expenses for Commission and employes		551.35
Office expenses, (miscellaneous)		264.82
Office supplies		110.63
Office furnishings and fixtures		17.20
Telephone		106.38
Rent of offices		1,950.00
Paid to County Treasurers		2,300.00
Paid to Treasurer of Baltimore County,		
June 29, 1925	$33,000.00	
December 29, 1925	36,000.00	
		69,000.00
Paid to Treasurer of State,		
June 29, 1925	$192,434.20	
December 29, 1925	523,282.76	
		715,716.96
Reserved from 1925 income for 1926 expenses		10,000.00
Total disbursements		$820,224.45

HARFORD AGRICULTURAL AND BREEDERS' ASSN., INC.

Statement of Net Revenue Taxable by the Maryland Racing Commission for the Year Ended October 31, 1925.

REVENUE

	TOTAL	Spring Meeting	Fall Meeting
Admissions:			
General	$229,207.50	$128,074.50	$101,133.00
Club house	23,732.50	14,217.50	9,515.00
Boxes	2,665.50	1,418.00	1,247.50
Membership dues	1,920.00	980.00	940.00
Pari-mutuels:			
Commissions	672,756.15	408,286.80	264,469.35
Breakage	127,227.35	73,226.30	54,001.05
Programs—net	7,887.33	4,282.14	3,605.19
Concessions	10,550.00	5,950.00	4,600.00
Interest on liberty loan bonds	920.82	425.00	495.82
Sale of old equipment	400.00	400.00	------
Leads to post	40.00	40.00	------
Total	$1,077,307.15	$637,300.24	$440,006.91

EXPENSES

State license, 23 days at $6,000 per day	$138,000.00	$78,000.00	$60,000.00
Stakes and purses	282,550.00	145,950.00	136,600.00
Awards to breeders	8,300.00	4,700.00	3,600.00
Pari-Mutuel expenses:			
Salaries and wages paid	91,942.20	52,188.60	39,753.60
Stationery and printing	11,287.58	6,119.21	5,168.37
Cash shortage	469.05	303.55	165.50
Miscellaneous	2,211.35	1,685.00	526.35
Salaries and wages paid to racing officials and employes	26,461.00	14,796.00	11,665.00
Salaries paid to regular track employes	13,955.00	7,100.00	6,855.00
Officers' salaries, directors' compensation, and legal fees, etc	29,500.00	14,750.00	14,750.00
Wages paid temporary track employes	11,559.52	5,779.76	5,779.76
Tools and supplies	2,728.27	1,364.13	1,364.14
Stationery, printing and postage	5,267.38	2,450.43	2,816.95

	TOTAL	Spring Meeting	Fall Meeting
Music	2,704.24	1,493.36	1,210.88
Services of Pinkerton National Detective Agency	12,919.09	7,057.45	5,861.64
Heat, light and water	1,752.57	876.28	876.29
Advertising and publicity service	19,784.16	10,580.51	9,203.65
Ambulance and hospital service	660.00	360.00	300.00
Team hire and expense	3,989.94	1,994.97	1,994.97
Telephone and telegraph	948.31	425.68	522.63
Professional services other than legal	1,083.30	541.65	541.65
Insurance premiums—net	7,858.98	3,929.49	3,929.49
Taxes paid, other than Federal income tax	8,641.04	4,320.52	4,320.52
Rent paid	450.00	225.00	225.00
Donations	450.00	300.00	150.00
Miscellaneous	2,373.76	1,408.52	965.24
Total	$687,846.74	$368,700.11	$319,146.63
Net taxable revenue for the year before, deducting cost of property additions and repairs	$389,460.41	$268,600.13	$120,860.28
Cost of property additions and repairs:			
New equipment $24,039.78			
Repairs 18,633.16	42,672.94		
Net taxable revenue for the year after deducting cost of property additions and repairs	$346,787.47		
Add pari-mutuel tickets outstanding applicable to spring and fall meetings, 1922, now credited to surplus	7,807.35		
Total net revenue taxable by Commission	$354,594.82		

CERTIFICATE

We have made an examination of the books and accounts of the Harford Agricultural and Breeders' Association, Incorporated, for the year ended October 31, 1925, and, subject to the allowance by the Commission of the amounts included in the above statement as cost of property additions and repairs, and to the fact that no provision has been made in the above statement for Federal income tax paid or accrued.

WE HEREBY CERTIFY that, in our opinion, the above statement of net revenue taxable by the Maryland Racing Commission for the year ended October 31, 1925, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 3, 1925.

Net revenue as shown in the above statement after new construction and equipment should not have had deducted $24,039.78, as more than this amount was in the Building Fund at the beginning of the year and which should be exhausted for these improvements before using 1925 income. Therefore, net income on which 15 per cent is calculated should be $378,634.60.

DISTRIBUTION OF NET REVENUE

State tax of 15 per cent on net revenue	$56,795.19
Federal income and profits tax for 1925	When ascertained.
Applicable as dividend to stockholders (10 per cent on capital)	$110,392.22
Set aside for Building Fund	Balance of Net Revenue after above payments.

MARYLAND STATE FAIR, INCORPORATED.

Statement of Net Revenue Taxable by the Maryland Racing Commission for the Year Ended November 1, 1925.

(Race Meeting October 6 to 31, 1925)

REVENUE

Admissions:		
General	$196,672.50	
Club house	16,020.00	
Paddock exchange	5,656.50	
Boxes	3,205.00	
Membership dues	14,625.00	
Pari-mutuels:		
Commissions	589,251.20	
Breakage	100,993.40	
Programs—net	10,671.27	
Concessions	9,203.00	
Interest earned:		
Loan	2,089.11	
Bank balances	22.64	
Rental of cottage	165.00	
Total		$948,574.62

EXPENSES

State license, 23 days at $6,000 per day	$138,000.00
Stakes and purses	300,800.00
Awards to breeders	7,650.00
Pari-mutuel expenses:	
Salaries and wages paid	96,537.47
Stationery and printing	15,006.06
Insurance of money	2,376.00
Repairs	348.64
Cash shortage	90.41
Miscellaneous	103.58
Salaries and wages paid to racing officials and employes	40,779.50
Officers' salaries and directors' and legal fees	29,749.97
Wages paid to regular track employes	19,745.32

Office salaries	2,076.00	
Stationery and printing	2,625.64	
Services of Pinkerton National Detective Agency	2,535.25	
Music	2,415.00	
Water, heat and light	2,028.42	
Advertising and publicity service	10,573.71	
Ambulance service	345.00	
Automobile expenses	567.54	
Telephone and telegraph	377.42	
Carfare and expenses of officers and employes	2,182.81	
Insurance premiume—net	16,418.80	
Taxes, other than Federal income tax	23,562.30	
Donations	2,375.00	
Professional accounting services	660.65	
Office rent and clerk hire, New York	1,750.00	
Miscellaneous	4,354.79	
Total		$726,035.28
Net taxable revenue for the year before deducting cost of property additions and repairs		$222,539.34
Cost of property and repairs:		
New road, stable, entrance gate, etc	$19,047.75	
Repairs	26,256.03	
Total		45,303.78
Net taxable revenue for the year after deducting cost of property additions and repairs		177,235.56
Credit and surplus:		
Pari-mutuel tickets outstanding applicable to 1922 meeting		8,689.10
Total net revenue taxable by Commission		$185,924.66

CERTIFICATE

We have made an examination of the books and accounts of the Maryland State Fair, Incorporated, for the year ended November 1, 1925, and, subject to the allowance by the Commission of the amounts included in the above statement as cost of property additions and repairs, and to the fact that no provision has been made in the above statement for Federal income tax paid or accrued.

WE HEREBY CERTIFY that, in our opinion, the above statement of net revenue taxable by the Maryland Racing Commission for the year ended November 1, 1925, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 12, 1925.

Net revenue as shown in the above statement after new construction and equipment should not have had deducted $19,047.75, as more than this amount was in the Building Fund at the beginning of the year and should be exhausted for these improvements before using 1925 income, and in addition the following item has not been allowed as an expense:

Donations	$2,000.00

Therefore, net income on which 15 per cent is calculated should be $206,972.41.

DISTRIBUTION OF NET REVENUE

State tax of 15 per cent on net revenue	$31,045.86
Federal income and profits tax for 1925	When ascertained
Applicable as dividend to stockholders (10 per cent on capital)	$107,931.74
Set aside for Building Fund	Balance of Net Revenue after above payments.

MARYLAND JOCKEY CLUB OF BALTIMORE CITY.

Statement of Net Revenue Taxable by the Maryland Racing Commission for the Year Ended November 30, 1925.

REVENUE

	TOTAL	Spring Meeting	Fall Meeting
Admissions:			
General	$346,328.15	$189,460.10	$156,868.05
Club house	22,700.00	11,660.00	11,040.00
Paddock exchange	8,987.00	5,020.00	3,967.00
Boxes	11,521.40	5,864.78	5,656.62
Membership dues and initiation fees	25,490.00	13,100.00	12,390.00
Pari-mutuels:			
Commissions	809,698.50	400,957.35	408,741.15
Breakage	142,471.90	72,931.15	69,540.75
Programs—net	15,152.21	8,113.00	7,039.21
Concessions	1,895.00	915.00	980.00
Profits from operation of restaurant and catering service—net	11,533.19	5,401.45	6,131.74
Leading horses to post	70.00	60.00	10.00
Interest received:			
Bank balances	11,806.95	5,647.66	6,159.29
Loans	77.52	------	77.52
Bonds, notes, and mortgages	4,810.54	2,433.46	2,377.08
Rentals	1,075.00	175.00	900.00
Miscellaneous	275.05	127.05	148.00
Total	$1,413,892.41	$721,866.00	$692,026.41

EXPENSES

State license, 23 days at $6,000 per day	$138,000.00	$66,000.00	$72,000.00
Baltimore County license, 23 days at $3,000 per day	69,000.00	33,000.00	36,000.00
Stakes and purses	430,100.00	218,200.00	211,900.00
Awards to trainers of winning horses	10,500.00	3,850.00	6,650.00
Awards to breeders of winning horses	9,600.00	4,650.00	4,950.00
Pari-mutuel expenses:			
Salaries and wages paid	118,469.00	55,813.00	62,656.00
Stationery and printing	22,884.86	11,021.22	11,863.64
Repairs	850.87	320.50	530.37
Rent of safe deposit box for tickets	100.00	100.00	------
Miscellaneous	283.25	------	283.25

	TOTAL	Spring Meeting	Fall Meeting
Salaries and wages paid to racing officials and employes	68,051.04	33,139.32	34,911.72
Officers' salaries, directors' compensation, and legal fees	27,400.04	13,700.02	13,700.02
Wages paid to regular track employes	29,571.65	13,545.00	16,026.65
Office salaries	9,961.96	4,980.00	4,981.96
Rent of track property, including amortization of cost of lease renewal	28,100.00	14,050.00	14,050.00
Stationery and printing	5,695.72	3,172.94	2,522.78
Music	2,553.00	1,221.00	1,332.00
Services and expenses of Pinkerton National Detective Agency	1,997.28	956.48	1,040.80
Water, heat, and light	3,216.23	1,590.55	1,625.68
Advertising and publicity service	9,792.65	5,925.00	3,867.65
Ambulance service	345.00	165.00	180.00
Auto hire	1,569.00	998.00	571.00
Telephone and telegraph	395.22	215.41	179.81
Insurance premiums paid—net	36,475.35	15,698.37	20,776.98
Taxes paid, other than Federal income tax	17,626.96	8,813.48	8,813.48
Professional auditing, tax accounting, and surveyors services	1,269.94	634.97	634.97
Cash "over and short" account	525.91	325.28	200.63
Rent of office	1,800.00	900.00	900.00
Tools and supplies	891.26	563.91	327.35
Miscellaneous	8,132.54	2,953.13	5,179.41
Total	$1,055,158.73	$516,502.58	$538,656.15
Net taxable revenue for the year before deducting cost of property additions and repairs	$358,733.68	$205,363.42	$153,370.26

Cost of property additions and repairs:		
Land, building, track improvement and equipment	$32,126.08	
Repairs	23,924.80	56,050.88
Net taxable revenue for the year after deducting cost of property additions and repairs		$302,682.80
Add:		
Pari-mutuel tickets outstanding applicable to 1922 meetings:		
Spring	$5,099.75	
Fall	7,004.40	12,104.15
Profits from sales of investment securities		1,766.16
Profit from sales of property		15,979.36
Total net revenue taxable by Commission		$332,532.47

CERTIFICATE

We have made an examination of the books and accounts of the Maryland Jockey Club of Baltimore City for the year ended November 30, 1925, and, subject to the allowance by the Commission of the amounts included in the above statement as cost of property additions and repairs, and to the fact that no provision has been made in the above statement for Federal income tax paid or accrued.

WE HEREBY CERTIFY that, in our opinion, the above statement of net revenue taxable by the Maryland Racing Commission for the year ended November 30, 1925, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 18, 1925.

Net revenue as shown in the above statement, after new construction and equipment, should not have had deducted $32,126.08, as $25,640.73 of this amount was in the Building Fund at the beginning of the year, and which should have been exhausted for these improvements before using 1925 income, and the item $6,485.35 new lots, cannot be allowed at all. Therefore, net income on which 15 per cent is calculated should be $364,658.55.

DISTRIBUTION OF NET REVENUE

State tax of 15 per cent of net revenue	$54,698.78
Federal income and profits tax for 1925	When ascertained
Applicable as dividend to stockholders (10 per cent on capital)	$103,662.77
Set aside for Building Fund	Balance of Net Revenue after above payments.

SOUTHERN MARYLAND AGRICULTURAL ASSOCIATION.

Statement of Net Revenue Taxable by the Maryland Racing Commission for the Year Ended December 6, 1925.

REVENUE

	TOTAL	Spring Meeting	Fall Meeting
Admissions:			
General	$187,294.50	$97,317.00	$89,977.50
Club house	9,964.30	4,776.10	5,188.20
Paddock exchange	6,806.50	4,073.50	2,733.00
Boxes	2,211.00	1,125.50	1,085.50
Pari-mutuels:			
Commissions	644,057.35	294,256.55	349,800.80
Breakage	109,521.10	53,907.80	55,613.30
Programs—net	10,741.89	6,966.68	3,775.21
Concessions	5,196.00	2,777.50	2,418.50
Interest on bank balances	3,574.92	2,637.11	937.81
Interest on loan to owners of Marlboro track	100.00	50.00	50.00
Total	$979,467.56	$467,887.74	$511,579.82

EXPENSES

(Including amounts allowable by the Commission as officers' salaries and legal and directors' fees in lieu of actual expenditures therefor):

State license, 23 days at $6,000 per day	$138,000.00	$66,000.00	$72,000.00
Stakes and purses	257,600.00	103,800.00	153,800.00
Awards to breeders	8,400.00	4,000.00	4,400.00
Pari-mutuel expenses:			
Salaries and wages paid	94,374.00	45,437.00	48,937.00
Stationery and printing	13,424.13	12,503.36	920.77
Insurance on money	657.50	357.50	300.00
Miscellaneous	2,286.99	848.15	1,438.84
Salaries and wages paid to racing officials and employes	40,345.00	19,548.00	20,797.00
Officers' salaries and legal and directors' fees—amount allowable by Commission	30,000.00	15,000.00	15,000.00
Wages paid to regular track employes (after deduction of company's estimated amount applicable to road construction and repairs)	18,373.24	10,681.18	7,692.06

		TOTAL	Spring Meeting	Fall Meeting
Offiice salaries		4,497.00	2,247.00	2,250.00
Stationery and printing		2,403.27	865.86	1,537.41
Music		1,853.00	886.00	967.00
Services of Pinkerton National Detective Agency		1,704.80	816.75	888.05
Services of Lancaster & Dougherty Detective Bureau		10,862.84	5,862.41	5,000.43
Light, heat, etc		2,036.11	1,333.07	703.04
Advertising and publicity service		8,433.31	3,571.76	4,861.55
Telephone and telegraph		679.74	378.14	301.60
Insurance premiums paid		12,948.88	2,795.32	10,153.56
Taxes paid, other than Federal income tax		9,086.66	7,905.07	1,181.59
Professional services other than legal		593.71	296.85	296.86
Rent of offices		1,560.00	780.00	780.00
Cash "over and short" account		2,377.21	2,064.46	312.75
Interest on loans		309.37	154.68	154.69
Donations		985.00	275.00	710.00
Freight and expressage		1,526.90	1,077.27	449.63
Miscellaneous		8,538.80	4,282.86	4,255.94
Total		$673,857.46	$313,767.69	$360,089.77
Net taxable revenue for the period before deducting cost of property additions and repairs		$305,610.10	$154,120.05	$151,490.05
Cost of property additions and repairs:				
Land, buildings, and equipment	$22,791.22			
Special road constructed on company's property—estimate	8,750.00			
Special road repairs—estimate	15,657.00			
Regular track repairs	33,425.44	80,623.66		
Net taxable revenue for the period after deducting cost of property additions and repairs		$224,986.44		
Add Pari-mutuel tickets outstanding applicable to the spring and fall meetings, 1922, now credited to surplus		1,806.20		
Total net revenue taxable by Commission		$226,792.64		

CERTIFICATE

We have made an examination of the books and accounts of the Southern Maryland Agricultural Association for the year ended December 6, 1925, and, subject to the allowance by the Commission of the amounts included in the above statement as officers' salaries and legal and directors' fees, and cost of property additions and repairs, to the fact that no provision has been made in the above statement for Federal income tax paid or accrued, and to the accompanying comments.

WE HEREBY CERTIFY that, in our opinion, the above statement of net revenue taxable by the Maryland Racing Commission for the year ended December 6, 1925, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 21, 1925.

Net revenue as shown in the above statement, after new construction and equipment, should not have had deducted $31,541.22, as more than this amount was in the Building Fund at the beginning of the year, and which should be exhausted for these improvements before using 1925 income, and, in addition, the following item has not been allowed as an expense:

Interest on loans	$309.37

Therefore, net income on which 15 per cent is calculated should be $258,643.23.

DISTRIBUTION OF NET REVENUE

State tax of 15 per cent on net revenue	$38,796.48
Federal income and profits tax for 1925	When ascertained
Applicable as dividend to stockholders (10 per cent on capital)	$72,457.16
Set aside for Building Fund	Balance of Net Revenue after above payments.

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